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REPORT BY THE
Comptroller General
OF THE UNITED STATES

RELEASED
3/21/78

The 1975 Amendments To The Older Americans Act--Little Effect On Spending For Priority Services

The 1975 amendments established four priority services for the elderly--transportation, home services, legal and other counseling, and residential repair and renovation. They have had little effect on the spending patterns of State and local aging programs. The primary reason is that States, for several years, felt that the priority services were necessary, and spent accordingly.

RELEASED

State and local officials resent the amendments because they have infringed on the "grassroots" planning philosophy of the Older Americans Act.



HRD-78-64
MARCH 6, 1978

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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-165430

The Honorable Frank Church
Chairman, Senate Special Committee on Aging

The Honorable Harrison A. Williams, Jr.
Chairman, Senate Committee on Human
Resources

The Honorable Thomas F. Eagleton
Chairman, Subcommittee on Aging
Senate Committee on Human Resources

The Honorable John Brademas
Chairman, Subcommittee on Select Education
House Committee on Education and Labor

The Honorable Claude Pepper
Chairman, House Select Committee on Aging

Pursuant to your request of December 16, 1976, and subsequent discussions with your offices, GAO has reviewed the effect of a provision of the 1975 amendments to the Older Americans Act. This provision established four priority service areas for the elderly--transportation, home services, legal and other counseling, and residential repair and renovation. The provision also set minimum funding requirements for the priority areas for States. This report summarizes the results of our review.

As requested by your offices, we did not take the additional time needed to obtain formal written comments from the Department of Health, Education, and Welfare. However, the information in this report has been discussed with officials of the Administration on Aging and their comments have been included, where appropriate.

B-165430

As arranged with your offices, we are sending a copy of this report to William J. Randall, the former Chairman, House Select Committee on Aging, who signed the original request. We will send copies of the report to officials of the Department of Health, Education, and Welfare 3 days after it is issued. Unless you publicly announce its contents earlier, we plan no further distribution of this report until 15 days from the date of the report. At that time, we will send copies to interested parties and make copies available to others upon request.


Comptroller General
of the United States

REPORT OF THE
COMPTROLLER GENERAL
OF THE UNITED STATES

THE 1975 AMENDMENTS TO
THE OLDER AMERICANS ACT--
LITTLE EFFECT ON SPENDING
FOR PRIORITY SERVICES

D I G E S T

GAO reviewed the effect of a provision of the 1975 amendments to the Older Americans Act. The provision established four priority services for the elderly--transportation, home services, legal and other counseling, and residential repair and renovation. The amendments also set forth minimum spending requirements for the priority areas for States. (See p. 2.)

GAO visited eight States and found that each was meeting the requirements. Although spending for priority services increased in most States visited, GAO also found that

--State officials believed that increased spending was not attributable to the 1975 amendments, and that

--State and local program officials resent the 1975 amendments because they have infringed on the local planning philosophy of the Older Americans Act.

The primary reason why States believed that the 1975 amendments had little effect on spending for priority services was that States have generally viewed the priority areas as necessary services to the elderly. Accordingly, high priority has been given these areas in the use of funds. Every State visited was spending more for priority services during fiscal years 1976 and 1977 than the amendments required.

In addition each of the four priority areas is subject to wide interpretation in terms of the types of services that might be included. Therefore, there were many services that States could consider as priority services. (See pp. 6, 7, and 10.)

Although some States did cite benefits attributable to the emphasis placed on priority services by the 1975 amendments, it appears that the inclusion of minimum spending requirements had little effect on State spending. However, the amendments aroused resentment at State and local levels because of infringement on planning authority. Increased administrative burdens were also cited as a problem. (See pp. 10 to 14.)

As directed by the various requesters' offices, GAO did not take the time to obtain formal written comments from the Department of Health, Education, and Welfare. GAO did discuss the report with officials of the Administration on Aging, however, and their comments have been included, where appropriate.

MATTER FOR CONSIDERATION BY THE CONGRESS

The Congress should continue to emphasize the four priority services. Because required percentages may adversely affect regional planning capability, however, the Congress should explore the desirability of removing the minimum funding requirements for priority services mandated in the 1975 amendments. (See p. 16.)

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ABBREVIATIONS

AOA	Administration on Aging
GAO	General Accounting Office
HEW	Department of Health, Education, and Welfare

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CHAPTER 1

INTRODUCTION

We reviewed the effect of a provision of the 1975 amendments to the Older Americans Act (Public Law 94-135). The provision established four priority services--transportation, home services, legal and other counseling, and residential repair and renovation--for the elderly. The provision also set forth minimum spending requirements for the national priority services.

BACKGROUND

The Administration on Aging (AOA) was created by the Older Americans Act of 1965 (Public Law 89-73) and is responsible for creating an effective advocate and focal point agency for the aging at the Federal, State, and local levels. Title III of the act authorized grants for State and community programs on aging. In recent years title III has undergone two major changes--1973 and 1975 amendments. The Older Americans Comprehensive Services Amendments of 1973 established the area agency concept for development of systems of services to the elderly.

Before the 1973 amendments, title III--Grants for State and Community Programs on Aging--provided formula grant funds to the States. The States used these funds to support individual social services provided by local agencies. As now authorized by the 1973 amendments, States allot most of the title III formula grant funds to area agencies. Area agencies in turn arrange with local service organizations to provide needed services to the elderly.

One of the concepts of the 1973 amendments was to improve planning and coordination of resources at the local level. The area agencies were to develop local systems of comprehensive coordinated services for older persons by

- determining the need for services in their geographic areas,
- evaluating the effectiveness of resources used to meet these needs, and
- arranging with local social service providers for needed social services.

Therefore, the 1973 amendments fostered "grassroots" planning for aging programs.

In contrast to the "grassroots" planning concept of the 1973 amendments, a provision of the 1975 amendments requires the States to establish and carry out programs in four priority areas which are designed to assist older persons to lead independent lives and avoid unnecessary institutionalization. To assure that the four services receive attention, the amendments require that States devote at least a specific minimum amount of their Federal allotment for area planning and social services to priority services. In summary the 1975 amendments to the act:

- Established four priority services categories: transportation, home services, legal and other counseling services and assistance programs, and residential repair and renovation programs.
- Required that, beginning with fiscal year 1976, a State must assure that it will devote not less than 50 percent of any increase in its title III allotment for area planning and social services to the four priority services. The base year for computing the increase is fiscal year 1975.
- Exempted from the 50-percent requirement stated above, a State which provides assurance that it will use at least 33-1/3 percent of its title III area planning and social services allotment for priority services.
- Required that in all cases beginning with fiscal year 1977, and for every fiscal year thereafter, a State must commit at least 20 percent of its title III area planning and social services allotment for priority services.

A State may satisfy the minimum spending requirements on a statewide, rather than on an individual area agency basis. There is no requirement that the funds devoted to the priority services be divided equally among the four services. States can meet the requirements by devoting area planning and social services funds to one or more of the four priority service categories. On the other hand, legislative history indicates that the Congress intended all four services to receive priority attention. The Congress was aware that many States were concentrating their resources on transportation services and recognized that it is a vitally important service to older people. Nevertheless, it was hoped that all States would expand their activities to cover the other three priority services.

ADMINISTRATION

The Department of Health, Education, and Welfare (HEW) has overall responsibility for administering the title III aging program. Within HEW, the Commissioner, Administration on Aging, is responsible for administering the program. At the regional level, the Commissioner's responsibilities are carried out by the Office of Aging within the Office of Human Development Services.

States are required to carry out the program in accordance with their title III plan which has been submitted to and approved by the Commissioner. Responsibilities of the State agencies on aging include

- coordinating all State activities of the Older Americans Act,
- developing a State plan,
- administering the program within the State,
- conducting a needs assessment of social services for the aged and determining how well existing programs meet identified needs,
- insuring that each area agency prepares and submits a plan to the State,
- reporting program data to the Commissioner, Administration on Aging, and
- insuring that the 1975 amendments to the Older Americans Act are complied with in the State.

Area agencies are required to carry out the program at the local level in accordance with State plans.

SCOPE OF REVIEW

Our review was made pursuant to a December 16, 1976, request from the Chairmen of the Senate Special Committee on Aging; Senate Committee on Labor and Public Welfare (now Committee on Human Resources); Subcommittee on Aging, Senate Committee on Labor and Public Welfare (now Committee on Human Resources); Subcommittee on Select Education, House Committee on Education and Labor; House Select Committee on Aging; and the Subcommittee on Health and Long-Term Care, House Select Committee on Aging.

To determine the effect of the priority service provision of the 1975 amendments, our review focused on the following major issues:

- The extent to which the four priority services have been addressed since 1975.
- Whether the States and area agencies are complying with the priority services requirements of the amendments.
- The views of HEW regional, State, and area agency officials on problems associated with the 1975 amendments.

Our review was conducted at 6 HEW regional offices, 8 State agencies, and at 12 area agencies listed in appendix I. In conducting our work we

- reviewed the Older Americans Act of 1965, as amended, along with the 1973 and 1975 amendments;
- reviewed State and area agency plans;
- reviewed financial and program documents at HEW, State, and area agency levels; and
- interviewed Federal, State, and local officials responsible for administering and monitoring the act, and community officials representing senior citizens organizations.

In addition we obtained the opinions of officials on problems experienced with administering the 1975 amendments and we also obtained their opinions as to whether they believe that the four priority services are the most important for the aged.

Neither HEW nor the States or area agencies had implemented a reporting system that would consistently reflect the amount of expenditures in the four priority areas. Therefore, we determined the States' actual or planned use of title III area planning and social services funds by reconstructing such data from whatever documents were available at the various State and area agencies. In most cases the data reflects the expenditures; however, in some instances we used budgetary data because expenditures reports were not detailed enough to identify expenditures for priority services. In some cases it was not possible to separate expenditures or budgeted data by fiscal year funds. In these cases the data has been classified by the fiscal year in which the expenditures either occurred or were expected to occur.

CHAPTER 2

STATES MET REQUIREMENTS OF 1975 AMENDMENTS

WITH LITTLE CHANGE IN SPENDING

FOR PRIORITY SERVICES

The eight States we visited were meeting the spending requirements of the 1975 amendments to the Older Americans Act. In fact the States were spending more of their title III area planning and social services allotment for priority services than was required by the amendments. We also found that

--the 1975 amendments brought about little change in State spending patterns, and

--State and local aging program officials believe that the 1975 amendments have created problems.

1975 AMENDMENTS BROUGHT LITTLE
CHANGE IN STATES' SPENDING PATTERNS

States have for some time considered some of the national priority services as necessary for the elderly. Every State we visited was spending more for priority services in fiscal years 1976 and 1977 than was spent in fiscal year 1975 and was meeting the requirements of the amendments. In addition all States for which fiscal year 1975 data was available were spending a significant amount of funds for priority services. In fact all the States we visited could have reduced their expenditures for priority services in fiscal years 1976 and 1977 and still have complied with the spending requirements of the 1975 amendments. The reason is that there was no legislative or HEW requirement for States to maintain the level of expenditures for priority services that existed prior to the amendments.

Also another important factor needs to be considered when analyzing State data on expenditures for priority services. Because of the broad latitude provided the States in the types of services to be included under each priority area, a comparison of the States showed inconsistencies in the types of services included.

The 1975 amendments have also had little effect on spending for priority services at the area agency level.

State spending practices

The eight States we visited were spending large amounts in the priority service areas prior to the 1975 amendments and continued to do so after the amendments. The table on page 7 shows State commitments (amounts expended, obligated, or budgeted) for the priority services from area planning and social services funds.

Although spending for priority services had increased in most States, officials did not believe that such increases were caused by the 1975 amendments. They said that they had always viewed the priority services as necessary for the elderly. As an example we analyzed the use of title III funds by Colorado. In fiscal year 1975, which was not affected by the 1975 amendments, Colorado spent 40 percent of its title III allotment for priority services. In fiscal year 1976 (including the transition quarter), the first year affected by the 1975 amendments, Colorado spent 48 percent of its title III allotment for priority services. In fiscal year 1977, 44 percent was committed to priority services. The following table presents details on Colorado's use of title III funds for priority services for fiscal years 1975 through 1977.

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$156,700	\$327,100	\$175,800
Home services	122,500	159,100	209,800
Legal and other counseling	43,500	46,800	65,500
Home repair and renovation	<u>0</u>	<u>2,500</u>	<u>33,900</u>
Total	<u>\$322,700</u>	<u>\$535,500</u>	<u>\$485,000</u>
Percent of area planning and social services funds	40%	48%	44%

Two of the four priority areas, transportation and home services, were given major emphasis by the States. Home repair and renovations, and legal and other counseling received relatively little attention. Appendix I shows the extent to which each of the eight States used its title III funds for the four priority services during fiscal

Title III Funds Committed to National Priority Services (note a)

<u>State</u>	<u>FY 1975</u>		<u>FY 1976 and transition quarter</u>		<u>FY 1977</u>	
	<u>Amount for priority services</u>	<u>Percent of total allotment</u>	<u>Amount for priority services</u>	<u>Percent of total allotment</u>	<u>Amount for priority services</u>	<u>Percent of total allotment</u>
Arizona	\$ 242,600	31	\$ 497,800	44	\$ 481,800	42
California	3,493,400	51	3,689,700	34	4,079,900	38
Colorado	322,700	40	535,500	48	485,000	44
Florida	1,662,600	43	2,995,700	47	2,153,400	33
Georgia	Unknown	-	1,105,900	49	1,192,700	53
Idaho	<u>c</u> /122,300	24	206,100	<u>b</u> /31	224,000	37
Ohio	1,752,900	36	1,952,800	31	2,319,600	34
Pennsylvania	1,733,900	40	2,604,800	36	3,072,700	43

a/ Title III area planning and social services funds.

b/ Idaho was not required to meet any spending requirement in fiscal year 1976 because its allotment did not increase between fiscal year 1975 and fiscal year 1976.

c/ Amount represents only a portion of the total; complete data not available.

years 1975 through 1977. Amounts spent by the eight States we visited on each priority area for fiscal year 1976 and the transition quarter are shown in the table on page 9.

The States we visited were not only meeting the spending requirements in the 1975 amendments, they could have reduced their expenditures for priority services in fiscal years 1976 and 1977 and still have complied with the spending requirements. The reason is that there was no requirement for States to maintain the level of expenditures for priority services that existed prior to the amendments. The amendments required only that in fiscal year 1976, a State must devote 50 percent of any increase in title III funds to the priority services. Beginning in fiscal year 1977 States were required to devote not less than 50 percent of the increase in funding (using fiscal year 1975 as a base), or 20 percent of total title III funds received for the year, to priority services.

As an example we analyzed the situation in California. That State spent \$3.5 million for priority services with fiscal year 1975 funds. In fiscal year 1976 California received an increase in title III funds of \$1.2 million and were, therefore, required to spend about \$600,000 for priority services. Therefore, California could have reduced its expenditures for priority services by \$2.9 million and still have complied with the 1975 amendments.

The Congress considered imposing a maintenance of effort requirement but did not do so. As pointed out on page 17 in Senate Report 94-255 (June 25, 1975):

"* * *the House bill would impose a maintenance of effort requirement so that the 20% of state and, inferentially, area agency funds required to be devoted to the four mandated areas would be in addition to such funds as are currently being devoted to these purposes.

"There are two major problems with this approach: (1) In the absence of additional funding, some states will inevitably have to reduce or cut off funding to projects now being supported in order to meet the 20% requirement; (2) The maintenance of effort provision will hit hardest those states that are now concentrating most heavily on the national objectives designated by the House bill, that is, a state that is using 40% of its funds in the House-mandated areas will have a far more difficult time meeting the 20% requirement than a

Priority service area
(Fiscal year 1976 and transition quarter)

<u>State</u>	<u>Transportation</u>	<u>Home services</u>	<u>Legal and other counseling</u>	<u>Home repair and renovation</u>	<u>Total for priority services (note a)</u>
Arizona	\$ 207,400 (42%)	\$ 94,300 (19%)	\$153,200 (31%)	\$ 42,900 (9%)	\$ 497,800 (100%)
California	1,787,100 (48%)	697,400 (19%)	975,700 (26%)	229,500 (6%)	3,689,700 (100%)
Colorado	327,100 (61%)	159,100 (30%)	46,800 (9%)	2,500 (<1%)	535,500 (100%)
Florida	1,029,000 (34%)	1,142,900 (38%)	626,100 (21%)	197,700 (7%)	2,995,700 (100%)
Georgia	523,200 (47%)	556,900 (50%)	1,500 (<1%)	24,300 (2%)	1,105,900 (100%)
Idaho	165,500 (80%)	40,600 (20%)	-	-	206,100 (100%)
Ohio	932,200 (48%)	636,800 (33%)	377,000 (19%)	6,800 (<1%)	1,952,800 (100%)
Pennsylvania	1,215,600 (47%)	830,400 (32%)	349,200 (13%)	209,600 (8%)	2,604,800 (100%)

a/ Due to rounding, percentages may not equal 100 percent.

state that has little or no current effort to maintain."

We also found that States were including a broad range of services within the priority areas. A comparison among States showed that they frequently included dissimilar services within priority areas. The table on page 11, using four States as examples, shows the broad range of services included under each priority area as of September 1977.

Area agency spending practices

The 1975 amendments caused little change in spending patterns at area agencies. We visited 12 area agencies, and the table on page 12 shows use of fiscal years 1975 through 1977 title III funds for priority services by these agencies. Appendix III presents a breakdown for each of the four priority services.

State and local officials consistently stated that the 1975 amendments have caused little or no change in the services provided with title III funds. They had generally viewed the priority areas in the 1975 amendments as necessary, especially transportation and home services. Therefore, they have always spent title III funds for such services.

STATE AND LOCAL OFFICIALS BELIEVE THAT 1975 AMENDMENTS HAVE CREATED PROBLEMS

State and local program officials believe that the 1975 amendments have infringed on the "grassroots" planning concept of the Older Americans Act. For instance officials in six of the eight States visited told us that they resented national priority services because these services were in direct opposition to the concept of "grassroots" planning which was emphasized in the Older Americans Act. In addition officials in half the area agencies and two of the HEW regions visited voiced similar complaints. In June 1977 the National Association of Area Agencies on Aging adopted resolutions opposing mandated services because they believe that such mandates infringe on the local planning concept established by the Older Americans Act.

A benefit of local planning would be that local officials can consider other major sources of funds that provide services to the elderly. We found that the four priority service areas received major financial support

<u>Priority areas and types of services included in each area</u>	<u>Is the service included by the State in accumulating expenditures?</u>			
	<u>Ohio</u>	<u>Florida</u>	<u>Pennsylvania</u>	<u>Idaho</u>
TRANSPORTATION:				
for medical services	Yes	Yes	Yes	Yes
for employment	Yes	Yes	Yes	Yes
for shopping	Yes	Yes	Yes	Yes
for recreation	Yes	Yes	Yes	Yes
for social services	Yes	No	Yes	No
for religious activities	No	No	Yes	No
HOME SERVICES:				
homemaker	Yes	Yes	Yes	Yes
home health	Yes	Yes	Yes	Yes
shopping	Yes	Yes	Yes	No
escort	Yes	Yes	Yes	No
reading	Yes	Yes	Yes	Yes
letter writing	Yes	Yes	Yes	Yes
chores or care of home	Yes	Yes	Yes	Yes
friendly visits	Yes	Yes	Yes	No
home delivered meals	Yes	Yes	No	No
home dental care	Yes	No	No	No
telephone reassurance	Yes	Yes	No	No
LEGAL AND OTHER COUNSELING:				
legal counseling	Yes	Yes	Yes	Yes
tax counseling	Yes	No	Yes	Yes
investment counseling	No	No	No	Yes
budgeting	Yes	No	Yes	No
mental health counseling	Yes	No	Yes	No
marital counseling	Yes	No	Yes	No
social service counseling	Yes	No	Yes	Yes
protective services	Yes	No	Yes	No
nursing home ombudsman	Yes	No	Yes	Yes
consumer education	No	Yes	No	No
RESIDENTIAL REPAIR AND RENOVATION:				
repairs or renovations to homes	Yes	Yes	Yes	Yes
repairs to home furnishings	No	No	Yes	No
winter weatherization	Yes	No	Yes	Yes
repairs or renovations to senior citizens centers	Yes	No	No	No

Title III Funds Spent, Obligated, or Budgeted
for Priority Services by Area Agencies

<u>Area agency (note a)</u>	<u>FY 1975</u>		<u>FY 1976 and transition quarter</u>		<u>FY 1977</u>	
	<u>Amount for priority services</u>	<u>Percent of total funds</u>	<u>Amount for priority services</u>	<u>Percent of total funds</u>	<u>Amount for priority services</u>	<u>Percent of total funds</u>
Tucson, Ariz.	\$65,500	40	\$105,300	42	\$107,400	51
Sacramento, Calif.	b/221,900	b/30	b/93,000	b/14	366,900	(c)
San Diego, Calif.	b/ 25,600	b/ 6	433,600	31	161,000	25
Durango, Colo.	4,800	32	8,200	18	10,700	19
Pueblo, Colo.	58,400	41	50,500	41	65,900	66
Miami, Fla.	398,700	55	532,900	49	392,000	7
Gainesville, Ga.	138,100	70	117,200	53	123,500	60
Pocatello, Idaho	53,800	53	45,500	45	50,500	52
Cleveland, Ohio	259,700	51	188,200	52	542,800	48
Columbus, Ohio	66,900	17	122,900	28	267,400	38
Doylestown, Pa.	23,100	22	50,200	30	110,200	23
Honesdale, Pa.	35,800	23	38,400	36	49,600	36

a/ Area agencies are not required to meet spending requirements.

b/ Complete comparable information on the priority services was not available.

c/ Information on the breakdown of services and the total budget was not available because the fiscal year 1977 funds were not received at the time of our audit.

in many States from sources other than title III funds. For example the Pennsylvania Department of Transportation had a program that planned to spend about \$15.1 million to provide about 62 million free rides for the elderly in fiscal year 1977. Similarly, the Idaho Legal Aid Services provides legal services to the elderly poor. In Georgia home winterization and weatherization grants are available to qualified elderly through four different programs.

Some State and local officials also told us that the amendments caused additional financial and program reporting requirements. Examples of comments we received included:

- It is rather difficult to break down specific amounts spent in each priority service area.
- The amendments caused a minor administrative burden because reporting formats had to be changed.
- The amendments have generated extensive reporting activities.
- HEW and the State have substantially increased their demands for fiscal data as a result of the amendments.
- The amendments caused an increase in paperwork required by the State.

HEW revised the Program Performance Report as a result of the 1975 amendments. However, neither the revised Program Performance Report nor the existing Financial Status Report permits HEW to make an independent determination of whether States comply with the 1975 amendments. The Financial Status Report is submitted quarterly to the region. This report identifies the fiscal year funds spent during the quarter but does not identify the amounts spent for priority services.

The Program Performance Report is submitted quarterly and shows the number of elderly served and the amount of title III moneys spent by service category, including a breakdown of the four priority services. However, it is not possible to identify the amounts spent by fiscal year obligations.

State and local views on the 1975 amendments

Although State and local officials interviewed generally believed that the four priority areas established by the

1975 amendments are the most critical areas of service to the elderly, some believed that the amendments should be repealed, while others believed that they should remain in effect.

Examples of comments from those who believed that the amendments should remain follow.

- The amendments allow enough flexibility so that a variety of needed services can be funded.
- The amendments have resulted in increased appropriations for programs on aging.
- The new reporting systems are in effect and the agency is meeting the required funding level.
- The four priority services are important services for the elderly.
- The amendments, emphasizing the four priority areas, resulted in a clarification of the Congress desires for expenditures of aging program funds.

Examples of comments from those who believed that the amendments should be repealed follow.

- The amendments infringe on local planning.
- The Federal Government should not dictate the needs of the elderly.
- Setting national priority areas conflicts with the inherent philosophy of the Older Americans Act. Local planning is the foundation of the Act.

CHAPTER 3

CONCLUSIONS AND MATTER FOR CONSIDERATION

BY THE CONGRESS

CONCLUSIONS

The 1975 amendments to the Older Americans Act established four priority services for the elderly (transportation, home services, legal and other counseling, and residential repair and renovation). The amendments also set forth minimum spending requirements for the priority areas for States.

We visited eight States and found that every one was meeting the requirements. However, we also found that although spending for priority services increased in most States visited:

- State officials believed that increased spending was not attributable to the 1975 amendments.
- State and local program officials resent the 1975 amendments because they have infringed on the local planning philosophy of the Older Americans Act.

The primary reason why States believed that the 1975 amendments had little effect on spending for priority services was that States have generally viewed the priority areas as necessary services to the elderly. Accordingly, high priority has been given these areas in the use of funds. Every State visited was spending more for priority services during fiscal years 1976 and 1977 than the amendments required. In addition each of the four priority areas is subject to wide interpretation in terms of the types of services that might be included. Therefore, there were many services that States could consider as priority services.

Although some States did cite benefits attributable to the emphasis placed on priority services by the 1975 amendments, it appears that the inclusion of minimum spending requirements had little effect on State spending. We noted, however, that the amendments aroused resentment at State and local levels because of infringement on planning authority. Increased administrative burdens were also cited as a problem.

MATTER FOR CONSIDERATION BY THE CONGRESS

The Congress should continue to emphasize the four priority services. Because required percentages may adversely affect regional planning capability, however, the Congress should explore the desirability of removing these minimum funding requirements for priority services mandated in the 1975 amendments.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE REGIONS;STATE AGING AGENCIES; and AREA AGENCIES ON AGINGVISITED DURING REVIEWHEW regions

region III --Philadelphia,
 Pennsylvania.
 region IV --Atlanta, Georgia.
 region V --Chicago, Illinois.
 region VIII --Denver, Colorado.
 region IX --San Francisco,
 California.
 region X --Seattle, Washington.

State aging agencies

Arizona.
 California.
 Colorado.
 Florida.
 Georgia.
 Idaho.
 Ohio.
 Pennsylvania.

Area agencies on aging
 located in

Tucson, Arizona.
 Sacramento, California.
 San Diego, California.
 Durango, Colorado.
 Pueblo, Colorado.
 Miami, Florida.
 Gainesville, Georgia.
 Pocatello, Idaho.
 Cleveland, Ohio.
 Columbus, Ohio.
 Doylestown, Pennsylvania.
 Honesdale, Pennsylvania.

APPENDIX II

APPENDIX II

THE AMOUNT STATES COMMITTED FOR
PRIORITY SERVICES FROM FUNDS PROVIDED
FOR FISCAL YEARS 1975 THROUGH 1977

<u>Arizona</u>			
<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$90,600	\$207,400	\$203,600
Home services	73,700	94,300	86,600
Legal and other counseling	69,800	153,200	145,500
Home repair and renovation	<u>8,500</u>	<u>42,900</u>	<u>46,100</u>
Total	<u>\$242,600</u>	<u>\$497,800</u>	<u>\$481,800</u>
Percent of area planning and social services funds used for priority services	31%	44%	42%

<u>California</u>			
<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$2,104,500	\$1,787,100	\$1,968,100
Home services	477,800	697,400	754,000
Legal and other counseling	861,100	975,700	1,140,700
Home repair and renovation	<u>50,000</u>	<u>229,500</u>	<u>217,100</u>
Total	<u>\$3,493,400</u>	<u>\$3,689,700</u>	<u>\$4,079,900</u>
Percent of area planning and social services funds used for priority services	51%	34%	38%

<u>Colorado</u>			
<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$156,700	\$327,100	\$175,800
Home services	122,500	159,100	209,800
Legal and other counseling	43,500	46,800	65,500
Home repair and renovation	<u>-</u>	<u>2,500</u>	<u>33,900</u>
Total	<u>\$322,700</u>	<u>\$535,500</u>	<u>\$485,000</u>
Percent of area planning and social services funds used for priority services	40%	48%	44%

APPENDIX II

APPENDIX II

Florida

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$ 524,500	\$1,029,000	(a)
Home services	816,400	1,142,900	(a)
Legal and other counseling	155,600	626,100	(a)
Home repair and renovation	<u>166,100</u>	<u>197,700</u>	<u>(a)</u>
Total	<u>\$1,662,600</u>	<u>\$2,995,700</u>	<u>\$2,153,400</u>
Percent of area planning and social services funds used for priority services	43%	47%	33%

a/ Information on the breakdown of services was not available.

Georgia

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	(a)	\$ 523,200	\$ 659,300
Home services	(a)	556,900	507,400
Legal and other counseling	(a)	1,500	17,300
Home repair and renovation	(a)	<u>24,300</u>	<u>8,700</u>
Total	(a)	<u>\$1,105,900</u>	<u>\$1,192,700</u>
Percent of area planning and social services funds used for priority services	(a)	49%	53%

a/ This information was not available.

Idaho

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$122,300	\$165,500	\$157,900
Home services	(a)	40,600	45,200
Legal and other counseling	(a)	-	11,700
Home repair and renovation	<u>(a)</u>	<u>-</u>	<u>9,200</u>
Total	<u>\$122,300</u>	<u>\$206,100</u>	<u>\$224,000</u>
Percent of area planning and social services funds used for priority services	24%	31%	37%

a/ This information was not available.

APPENDIX II

APPENDIX II

Ohio

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$720,500	\$932,200	\$1,097,100
Home services	648,100	636,800	695,700
Legal and other counseling	373,000	377,000	313,900
Home repair and renovation	<u>11,300</u>	<u>6,800</u>	<u>212,900</u>
Total	<u>\$1,752,900</u>	<u>\$1,952,800</u>	<u>\$2,319,600</u>
Percent of area planning and social services funds used for priority services	36%	31%	34%

Pennsylvania

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$1,105,000	\$1,215,600	\$ 850,300
Home services	524,800	830,400	1,499,200
Legal and other counseling	80,200	349,200	414,500
Home repair and renovation	<u>23,900</u>	<u>209,600</u>	<u>308,700</u>
Total	<u>\$1,733,900</u>	<u>\$2,604,800</u>	<u>\$3,072,700</u>
Percent of area planning and social services funds used for priority services	40%	36%	43%

APPENDIX III

APPENDIX III

AREA AGENCIES USE OF FISCAL YEARS

1975 THROUGH 1977 FUNDS FOR

PRIORITY SERVICES

Tucson, Arizona

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$ -	\$ -	\$ -
Home services	15,300	16,000	15,000
Legal and other counseling	50,200	47,600	46,300
Home repair and renovation	-	41,700	46,100
Total	<u>\$65,500</u>	<u>\$105,300</u>	<u>\$107,400</u>
Percent of area planning and social services funds used for priority services	40%	42%	51%

Sacramento, California

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$221,900	\$80,000	(b)
Home services	(a)	(a)	(b)
Legal and other counseling	(a)	13,000	(b)
Home repair and renovation	-	-	(b)
Total	<u>\$221,900</u>	<u>\$93,000</u>	<u>\$166,200</u>
Percent of area planning and social services funds used for priority services	30%	14%	(b)

a/ Comparable information not available.

b/ Information on the breakdown of services and the total budget was not available because the fiscal year 1977 funds were not received at the time of our audit.

San Diego, California

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$ (a)	\$119,200	\$ 75,000
Home services	25,600	173,200	-
Legal and other counseling	(a)	141,200	86,000
Home repair and renovation	(a)	-	-
Total	<u>\$25,600</u>	<u>\$433,600</u>	<u>\$161,000</u>
Percent of area planning and social services funds used for priority services	6%	31%	25%

a/ Comparable information not available.

APPENDIX III

APPENDIX III

Durango, Colorado

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$3,300	\$ 700	\$3,000
Home services	1,500	6,500	-
Legal and other counseling	-	1,000	6,700
Home repair and renovation	-	-	<u>1,000</u>
Total	<u>\$4,800</u>	<u>\$8,200</u>	<u>\$10,700</u>
Percent of area planning and social services funds used for priority services	32%	18%	19%

Pueblo, Colorado

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$30,000	\$39,300	\$ 8,600
Home services	28,400	-	31,000
Legal and other counseling	-	11,200	26,300
Home repair and renovation	-	-	-
Total	<u>\$58,400</u>	<u>\$50,500</u>	<u>\$65,900</u>
Percent of area planning and social services funds used for priority services	41%	41%	66%

Miami, Florida

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$ 84,300	\$214,300	\$ 63,800
Home services	239,900	228,900	286,800
Legal and other counseling	4,100	89,700	41,400
Home repair and renovation	<u>70,400</u>	-	-
Total	<u>\$398,700</u>	<u>\$532,900</u>	<u>\$392,000</u>
Percent of area planning and social services funds used for priority services	55%	49%	47%

APPENDIX III

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Gainesville, Georgia

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$ 19,100	\$ 900	\$ 14,500
Home services	119,000	116,300	109,000
Legal and other counseling	-	-	-
Home repair and renovation	-	-	-
Total	<u>\$138,100</u>	<u>\$117,200</u>	<u>\$123,500</u>
Percent of area planning and social services funds used for priority services	70%	53%	60%

Pocatello, Idaho

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$43,800	\$40,500	\$41,000
Home services	10,000	5,000	9,500
Legal and other counseling	-	-	-
Home repair and renovation	-	-	-
Total	<u>\$53,800</u>	<u>\$45,500</u>	<u>\$50,500</u>
Percent of area planning and social services funds used for priority services	53%	45%	52%

Cleveland, Ohio

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$ 89,200	\$ 70,500	\$127,700
Home services	113,800	74,000	231,700
Legal and other counseling	54,600	41,500	130,700
Home repair and renovation	2,100	2,200	52,700
Total	<u>\$259,700</u>	<u>\$188,200</u>	<u>\$542,800</u>
Percent of area planning and social services funds used for priority services	51%	52%	48%

APPENDIX III

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Columbus, Ohio

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$ 3,500	\$ 27,000	\$ 65,400
Home services	45,900	79,400	105,000
Legal and other counseling	17,500	16,500	53,000
Home repair and renovation	-	-	44,000
Total	<u>\$66,900</u>	<u>\$122,900</u>	<u>\$267,400</u>
Percent of area planning and social services funds used for priority services	17%	28%	38%

Doylestown, Pennsylvania

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$23,100	\$49,600	\$ 32,300
Home services	-	600	53,800
Legal and other counseling	-	-	24,100
Home repair and renovation	-	-	-
Total	<u>\$23,100</u>	<u>\$50,200</u>	<u>\$110,200</u>
Percent of area planning and social services funds used for priority services	22%	30%	23%

Honesdale, Pennsylvania

<u>Priority services</u>	<u>1975</u>	<u>1976 and transition quarter</u>	<u>1977</u>
Transportation	\$20,300	\$ 5,600	\$ 8,400
Home services	13,900	16,800	21,800
Legal and other counseling	1,600	16,000	19,400
Home repair and renovation	-	-	-
Total	<u>\$35,800</u>	<u>\$38,400</u>	<u>\$49,600</u>
Percent of area planning and social services funds used for priority services	23%	36%	36%